

IMPACT ASSESSMENT OF THE NEW JERSEY INTERIM STATE DEVELOPMENT AND REDEVELOPMENT PLAN

EXECUTIVE SUMMARY

Prepared for

New Jersey
Office of State Planning (OSP)

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Date

28 February 1992

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**IMPACT ASSESSMENT
RESPONSIBILITIES**

IMPACT ASSESSMENT RESPONSIBILITIES

Robert W. Burchell	Overall Research Strategy/Design TREND/IPLAN Interpretation Model Integration Coordination of Research Modeling and Case Studies Population Projection/Land Capacity Model Linkage/Feedback/Evaluation Model
David Listokin	Fiscal Impact Model Fiscal Impact Case Study Farmers' Equity Case Study School Capital Facilities Model Intergovernmental Coordination Model Water Quality Case Study
Adesoji O. Adelaja Olugbenga A. Onafowora	Agricultural Lands Model Farmers' Equity Case Study Agricultural Equity Analysis
Roland Anglin	Intergovernmental Coordination Model Intergovernmental Case Study
Richard K. Brail R. E. Sieber	Transportation Infrastructure Model CUPR Road CUPR Transit Water and Sewer Demand Model
Michael N. Danielson Julian Wolpert	Quality of Life Model Quality of Life Case Study
Carole C. Walker	Water and Sewer Demand Model Water Cost Model OSP Wastewater Cost Model

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Econometric Model
Economic Case Study

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Housing Demand/Supply Model
Housing and Property Development Cost Model
Transportation Case Study

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Housing and Property Development Cost Model

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Economic Impact Model
Fiscal Impact Model
Fiscal Impact Case Study
School Capital Facilities Model
Water Pollution Model
Air Pollution Model

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Intergovernmental Coordination Model
Quality of Life Model

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Overall Model Building and Projection
Programming of Models
Data Acquisition and Input

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Property Cost Case Study

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Advisory Committee Input

**EXECUTIVE
SUMMARY**

OVERALL ASSESSMENT

Why are you reading this series of reports? According to Professor James C. Nicholas of the University of Florida's Growth Management Studies program, the answer is clear. You are attempting to find out whether the State of New Jersey will be better off with or without the Interim State Development and Redevelopment Plan (IPLAN). According to Nicholas, this is the "big" question to be answered. To do so, however, many "little" questions must be resolved.

Given nearly a year's work, the construction and operation of twenty independent simulation models and eight case studies that resulted in 1,000 pages of written text—what is the answer to the "big" question? *Implementation of the Interim Plan will be beneficial to New Jersey. The study team concludes this after months of research using the best analytical procedures available.*

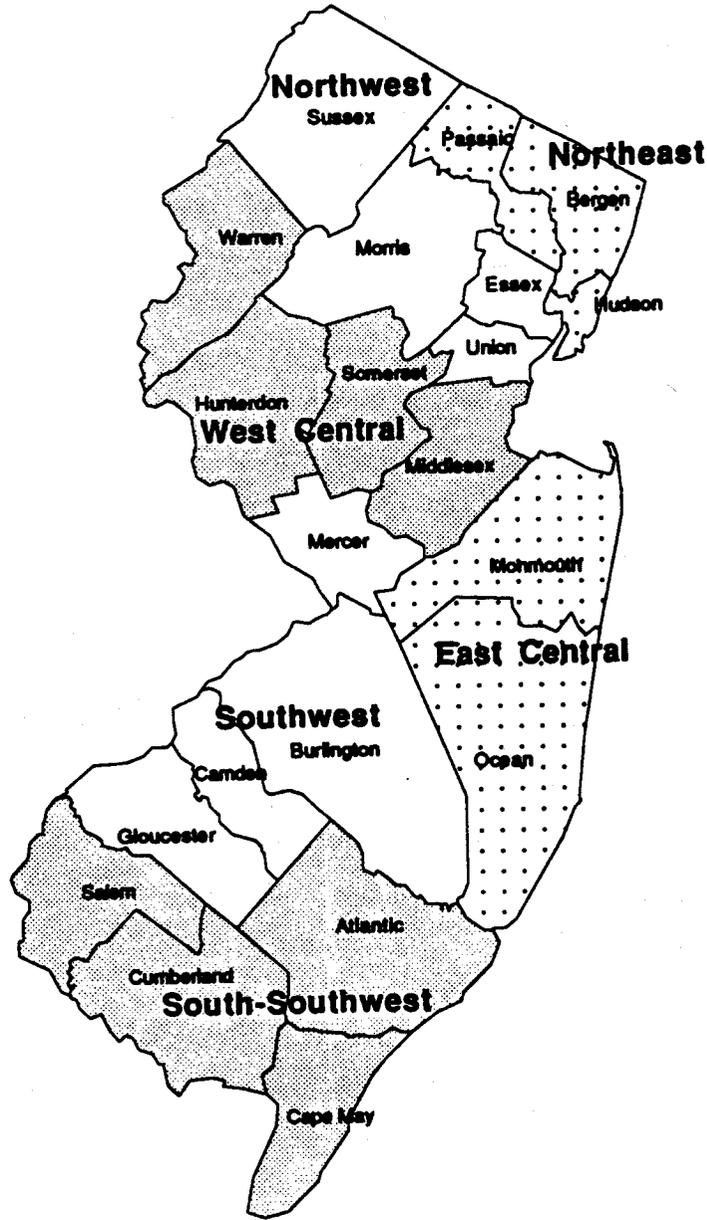
This conclusion is based on the research assumption that governments at all levels in New Jersey will carry out IPLAN policy provisions as written. Accordingly, the conclusion emerges from a series of analyses that simulate growth in New Jersey under both traditional (TREND) and planned (IPLAN) development. This involves making population and employment projections for the State, for six regions, and for twenty-one counties. The CUPR Econometric Model of the Center for Urban Policy Research, Rutgers University, is employed to control projections at the Labor Area and State levels, and various New Jersey Department of Labor models are used to produce population and employment projections at the county level.

The projections of population, converted to households and employment, are then assigned to individual municipalities either: (1) according to historic growth and their ability to accommodate growth—i.e., the TREND projection; or (2) according to the policies and potential territorial expression of the Interim State Development and Redevelopment Plan—i.e., the IPLAN projection. Municipal results are then aggregated to provide statewide, as well as substate, totals. In this way, observations can be made regarding urban, suburban, and rural areas as well as geographic regions within the State. This assessment used the existing six regions of the New Jersey Council on Affordable Housing (COAH) as the units for regional findings (see Figure 1). Short-term (5-year horizon) and long-term (20-year horizon) implications of the State Plan are also explored.

A series of analyses ensue related to these projections. These analyses attempt to answer the following questions:

FIGURE 1

THE SIX HOUSING REGIONS OF NEW JERSEY



NORTHEAST	NORTHWEST	WEST CENTRAL	EAST CENTRAL	SOUTHWEST	SOUTH-SOUTHWEST
Bergen Hudson Passaic	Essex Morris Sussex Union	Hunterdon Middlesex Somerset Warren	Monmouth Ocean	Burlington Camden Gloucester Mercer	Atlantic Cape May Cumberland Salem

Source: New Jersey Council on Affordable Housing (COAH)

1. Would either or both development scenarios not accommodate development?
2. Would either be bad for the State economically or fiscally?
3. Which would consume more land for development, and which would consume more frail and/or agricultural land?
4. Which would cause the air and water to be less pure?
5. Which would cause more roads, water and sewer lines, and other public facilities to be constructed?
6. Which would submit New Jerseyans to inferior qualities of life?
7. Which would contribute to more uncoordinated and unproductive activities in land use?

The answer provided by these analyses is clear: *The Interim State Development and Redevelopment Plan will bring benefits to New Jersey and its citizens that traditional development will not.*

Why did the study team have to answer these questions, and how has the research been structured to respond to them? The study team is charged with answering these questions because an Impact Assessment is required by State law as part of the process of preparing the State Development and Redevelopment Plan. Under the State Planning Act (P.L. 1989, c. 332, N.J.S.A. 52:18A-202.1g et seq.), it is required that an Impact Assessment be undertaken of the *economic, environmental, infrastructure, community life, and intergovernmental coordination* implications of the Plan. This must be accomplished before the State Plan is finalized and voted upon by the State Planning Commission.

The overall conclusion of the Impact Assessment is that across the analytical fields—economic, environment, infrastructure, community life, and intergovernmental coordination—the Interim State Development and Redevelopment Plan creates a positive future for New Jersey. Again, this response to the “big” question is the outcome of results to many “little” questions. These are summarized below.

ECONOMIC ASSESSMENT

OVERALL CONDITIONS:

*National and regional forces shape
New Jersey's economic growth.
IPLAN and TREND are similar.*

Although some are concerned that the State Plan will cause people to be driven from the State for economic reasons, this result is not likely. At the State and regional levels, growth is essentially the same. Both growth alternatives accommodate 520,000 in new population, 408,000 new households, and 654,000 new jobs (not including agricultural employment) over the twenty-year period 1990 to 2010. While growth in New Jersey will be slower than in the past, this is due to changing national demographics and the position of New Jersey and the Northeast region relative to their regional and national neighbors rather than to the effects of IPLAN or TREND. New Jersey will grow about 0.3 percent annually in population, 0.7 percent annually in households, and 0.9 percent annually in employment. Population and jobs will continue to move from the northern areas to the central and southern parts of the State. This will happen whether or not the State Plan is in place. Further, under either scenario the unemployment rate will hover around 5 percent. The State will be less industrial and more service-oriented than it is today, and property values and income will rise more slowly than they have in the past. All of these base conditions will occur with or without the State Plan.

While IPLAN will result in an aggregate savings in capital infrastructure costs of about \$1.3 billion from 1990 to 2010 (not including potential savings in associated operating costs), these savings, taken in the form of decreased local operating expenditures and reduced taxes, are not expected to have a perceptible effect on the number of jobs or people in the State.

ECONOMIC IMPACTS:

*IPLAN will shift 300,000 jobs to Suburban
and Rural Centers and 62,000 jobs to cities.*

Overall, about the same number of total jobs and construction jobs will be created under traditional development versus a future with a State Plan. The difference between the traditional development (TREND) and planned (IPLAN) futures is the location of jobs. Under IPLAN, almost 10 percent more of these new jobs (62,000) will be found in and around the Major Urban Centers, and approximately 300,000 new jobs will be found in Suburban and Rural Centers of one type or another, rather than in the Suburban and Rural environs. As many of these new jobs will be in areas of excess labor, the jobless rate in

Urban and Rural Centers can potentially be reduced by as much as 1.5 percent by 2010 through patterns of growth envisioned under IPLAN.

FISCAL IMPACTS:

\$400 million in annual savings to municipalities and school districts may be realized under IPLAN.

The fiscal impact assessment compares public service costs with public revenues from accommodating new residents, workers, and public school children. By containing population and jobs in already developed areas and by creating or expanding Centers in newly developing areas, the State Plan offers an annual \$112 million fiscal advantage to municipalities. This advantage reflects the ability under IPLAN to draw on usable excess operating capacity in already developed areas as well as efficiencies of service delivery. For instance, fewer lane-miles of local roads will have to be built under IPLAN, thus saving municipal public works maintenance and debt service costs. Public school districts will realize a \$286 million annual financial advantage under the State Plan, again a reflection of drawing on usable excess public school operating capacity and other service and fiscal efficiencies realized due to the redirection of population under IPLAN. Thus, municipal and school district providers of public services could be ahead fiscally by close to \$400 million annually under IPLAN compared to TREND, while supplying a similar quality of services.

ENVIRONMENTAL IMPACTS

LAND CAPACITY:

TREND requires nearly 130,000 more acres for development.

There is enough land statewide to accommodate the projected twenty-year development. This should not be surprising in that over the last 375 years New Jersey has accommodated 7.73 million people, 2.8 million households, and 3.7 million jobs on two million of the State's 4.8 million acres. As of 1990, about two million acres remain in "vacant" and agricultural status. Another 0.8 million acres are in tax-exempt status; the vacant portion of this block of land contains much of the State's protected forest and open space.

Of the remaining two million acres, development under TREND will consume 292,000 acres to provide land for 408,000 households and 654,000 jobs. Development under IPLAN will consume about 165,000 acres to accommodate the same number of

households and jobs. Overall, more than 43 percent more land is required for new development under TREND. Finally, TREND demands 28 percent more farmland and 67 percent more other vacant land for the same level of development than does IPLAN.

FRAIL LANDS:

TREND consumes 80 percent more acres of frail environmental lands for development.

Reflecting historical rates of loss, approximately 36,500 acres of the land consumed for development would be "frail" environmental lands. These lands—containing forests, steep slopes, and critical sensitive watersheds—could be permanently damaged. About 20 percent of this amount, or 7,150 acres, would be consumed under IPLAN development. Thus, the development objective of the State Plan can be met without spoiling almost 30,000 acres of frail environmental lands.

AGRICULTURAL LANDS:

IPLAN yields 78,000 acres of farmland to development but does not require loss of prime agricultural lands. TREND provides \$350 million more in development value and consumes 108,000 acres of mostly high-quality agricultural lands for development.

Of the total land consumed for development, approximately 108,000 acres of agricultural lands will be consumed under traditional development (TREND) and about 78,000 acres under planned development (IPLAN). In the aggregate, approximately 30,000 acres of farmland are saved under the population concentration measures of the State Plan.

In addition, under development patterns fostered by the State Plan, no "prime" or "marginal" farmlands need to be lost from 1990 levels; under IPLAN, all development on farmland can take place on "poor" agricultural lands. Under TREND, however, 90,000 acres of the 108,000 acres of farmland consumed could be prime or marginal farmlands. The classifications of prime, marginal, and poor agricultural lands are based on New Jersey's agricultural land usage and critical crop characteristics: higher-quality farmlands are included in the prime and marginal classifications, and lesser-quality lands comprise poor farmland.

The benefits of IPLAN in conserving high-quality farmland do not come without cost, however. The issue is whether, and how, these costs are shared by the general

public. In the absence of a more broad array of farmland preservation programs involving the purchase or transfer of development rights or other mitigating measures, there may be a potential for loss in landowners' equity of \$350 million in development value statewide over the twenty-year period compared to TREND. With these programs, negative impacts on the agricultural industry in New Jersey can be mitigated.

AIR POLLUTION:

Air pollutant emissions will be substantially reduced under both TREND and IPLAN.

Given tighter emission controls in the future than those imposed in the past, general air pollution levels attributable to traffic will be lower in 2010 than they are today regardless of which development scenario is opted for. Nitrogen oxides and non-methane hydrocarbons will be 51,700 and 77,200 metric tons lower, respectively, and carbon monoxide 703,000 metric tons lower by 2010 under these controls, representing reductions of between 38 percent and 52 percent from 1990 levels.

Air pollution emissions are related most closely to the addition of lane-miles of State highways under either development scenario. The future expansion of State roads does not vary significantly from one alternative to the other, however. New development under both TREND and IPLAN will reduce the aforementioned improvements in air quality by about 5 percent because there will be the same population and jobs increase under both scenarios. Thus, TREND and IPLAN are generally equal in their impacts and have only very minor effects on the significant improvements anticipated over the next several decades in overall air quality levels.

WATER POLLUTION:

IPLAN will generate 40 percent less water pollutants than TREND, although heavy metals in urban stormwater runoff may be increased.

Water pollutants in stormwater runoff from new development will be decreased by 4,560 tons under IPLAN compared to TREND. Traditional development produces 15,160 tons of pollutants during the period 1990 through 2010; IPLAN development produces 10,600 tons. The main water pollutants are total nitrogen, total phosphorus, biochemical oxygen demand, lead, and zinc.

IPLAN offers modest improvements to contributions of heavy metals (zinc and lead) compared to TREND. Due to the concentration of development in Centers and redevelopment of Urban Centers, heavy metals may be contributed under IPLAN at concentrations comparable to those of TREND.

By the same token, concentration of development under IPLAN served by existing and planned public sanitary sewer systems should reduce pollution of ground and surface waters by reducing the number of septic systems.

INFRASTRUCTURE ASSESSMENT

LOCAL AND STATE ROADS:

IPLAN saves \$740 million in road costs.

TREND development to the year 2010 will require an additional 5,500 lane-miles of local roads and 159 lane-miles of State roads. IPLAN development will require addition of only 3,900 lane-miles of local roads and 132 lane-miles of State roads. Therefore, the State Plan requires 1,600 lane-miles fewer of local roads and 27 lane-miles fewer of State roads. In total, the focused development of the State Plan will derive a statewide savings of approximately \$740 million—\$650 million in local road costs and \$90 million in State road costs.

TRANSIT:

TREND and IPLAN provide similar opportunities for new local transit services. More households under IPLAN are exposed to existing transit services.

The State Plan, with its system of Centers, redirects new growth to moderate- and high-density locations of population. Over the period from 1990 to 2010, the State Plan will create a demand for local moderate-level bus service (at 40 buses per day) in twelve more communities, local low-level bus service (at 20 buses per day) in nine more communities, 11 more express-bus transit locations, and 15 new commuter rail service locations. The TREND scenario has scattered development patterns with population historically locating in low-density areas. From 1990 to 2010, TREND adds four municipalities with moderate-level bus service, eight municipalities with low-level bus service, fifteen municipalities with express-bus service, and twenty-three municipalities with commuter rail. IPLAN provides eight more moderate-level transit, one more local low-level bus transit, four fewer express-bus transit, and eight fewer commuter rail service transit locations. TREND and IPLAN, therefore, provide similar opportunities for new

local transit services. Gains to more-intensive local bus systems and losses to small-stop commuter rail systems under IPLAN may be locally important, however.

WATER AND SEWER:

IPLAN provides savings of \$440 million in water supply and sewer infrastructure costs.

Water and sewer demand will be somewhat different under TREND than under IPLAN. This is related to more close-in and contained development under IPLAN, as well as to the effects of clustering and to somewhat more intensive development—i.e., more single-family attached and multifamily units under IPLAN.

The change in *water* demand under TREND conditions will be 60 million gallons per day from 1990 to 2010; the change in *sewer* demand will be 46.1 million gallons per day. The comparable IPLAN figures will be 57.5 million gallons per day of water demand and 46.7 million gallons per day of sewer demand. These differences in demand may not seem significant until the hardware (infrastructure) and cost implications are considered. In the case of water infrastructure, use of existing infrastructure, greater clustering, and more attached and multifamily housing units produce savings of \$61 million between 1990 and 2010 under IPLAN relative to TREND—10.6 percent of the total projected water supply costs under TREND. On a statewide basis, development under IPLAN results in sewer infrastructure cost savings of \$379 million, 5.6 percent of the total sewer cost for new development.

SCHOOL CAPITAL FACILITIES:

Capital costs for new school facilities are approximately the same for TREND and IPLAN, assuming existing excess capacity is used.

Over the period 1990 to 2010, there will be a demand for school facilities to meet the requirement of 331,000 additional school children. In addition, there are system deficiencies that add an additional 34,000 student spaces to future demand, for a total gross need (before excess capacity is drawn upon) of 365,000 pupil spaces. This new demand will be greatest in the central and, increasingly, in the southern parts of the State. Demand for school capital needs can be met in two different ways: first, by using excess capacity at the site, which means examining the facilities' functional capacity minus their existing usage; second, by constructing new space to accommodate school children.

The oft-repeated scenario of significant excess capacity in urban and closer-in suburban schools, and deficient capacity in exurban and rural schools, is, in reality, a myth. Closer-in locations have excess capacities; so too do the more distant locations. This is why a complex computer model is used to keep track of what is available and what the demand for services is in each location.

From an overall statewide perspective, a similar number of school children must be accommodated under traditional development conditions as would be accommodated under IPLAN. The difference in capital facility requirements is the degree to which one of the above scenarios can rely on excess capacity.

Because of a decade-long drop in enrollment, there are considerable excess school spaces distributed throughout the State that can potentially be drawn upon. Of these, there is a match by school type (elementary, middle, high school) and location for 77,000 surplus pupil spaces under TREND and a somewhat higher amount—87,000—under IPLAN. This drawing upon excess capacity has significant implications. Under TREND, the State's school districts will have to provide 288,000 pupil spaces to the year 2010 (365,000 gross need less 77,000 usable excess spaces); for IPLAN, the need is a somewhat lower 278,000 pupil spaces. Overall, if new space had to be built to accommodate all new students, costs of new school facilities would be approximately \$5.3 billion under TREND and \$5.1 billion under IPLAN. Thus, \$200 million, or approximately 3 percent, is potentially saved due to somewhat more excess capacity in closer-in areas being drawn upon by IPLAN as opposed to what is drawn upon by TREND in suburban and rural areas. By drawing on excess capacity, school development costs under both TREND and IPLAN are virtually the same.

COMMUNITY LIFE ASSESSMENT

The community life assessment consists of three elements: housing supply and demand, housing costs, and quality of community life.

HOUSING SUPPLY AND DEMAND: *While total demands are similar, IPLAN will demand more townhouse and multi-family units than TREND. Overall, 2.5 out of every four homes will still be single-family detached.*

Over the period 1990 to 2010, the State of New Jersey must find room for 408,000 new households. In terms of space to house this population, the land demands for 431,000

new dwelling units must be accommodated. These calculations take into account a 5- to 10-percent vacancy rate for various types of residential structures.

In both cases, under TREND and IPLAN, there is a sufficient amount of land to accommodate projected development. Most of this development will take place in the East Central, West Central, and Southwest regions, at just over 100,000 units each, with the Northeast and South-Southwest regions at about half this level. The Northwest will trail, with under 15,000 units.

In the case of TREND development, residential needs will be met with 294,000 single-family homes, 84,000 townhouses, and 53,000 multifamily units. In the case of IPLAN, there will be 261,000 single-family homes, 92,000 townhouses, and 78,000 multifamily units.

HOUSING COSTS:

There will be slightly lower housing costs for all in the future. Housing affordability will gradually increase over time. IPLAN will have slightly lower housing costs than TREND due to the housing availability in Centers.

Housing values and housing costs—adjusted for inflation—will decrease somewhat over the period 1990 to 2010. The study team predicts that housing costs will increase at just under 5 percent annually; inflation will increase slightly faster, at just over 5 percent annually. Since inflation will increase slightly faster than housing cost increases, in the year 2010 it will be somewhat cheaper (8–12 percent) for New Jersey residents to buy a house than it is today. Thus, some positive change in the general affordability of the housing stock, i.e., a relative decrease in price and relative increase in income, and thus an increase in affordability, characterizes the future. This is the TREND condition for future housing affordability.

Under IPLAN, land prices in the environs of Planning Areas 4 and 5 will decrease over time in price per acre, while the number of acres of land that a structure must occupy will increase. Overall housing prices in these areas will increase due to the additional land required for development. Also, just outside Planning Areas 4 and 5, housing prices will increase slightly, reflecting demand for the reduced supply of land for housing development. However, housing prices will decrease in Centers, given the density of Centers and the housing mix that is proposed there. Since housing developed in Centers

will exceed housing built in the environs, housing costs under IPLAN will be somewhat lower than those of TREND.

QUALITY OF COMMUNITY LIFE:

Quality of community life will increase in the future under both TREND and IPLAN. Slower increases in quality of community life may result for those households that seek redeveloping neighborhoods under IPLAN.

Quality of community life (QOL) is measured by 18 objective criteria that make up an index created specifically for this project. The index depicts six dimensions of the quality of community life: economic well-being, housing value and ownership, property tax base and rates, public safety, school achievement, and community amenity. The criteria measure fiscal attributes, school achievement, public recreational opportunities, public safety, community affluence, and so on. In this sense, the index employed, which emphasizes public services and taxation, is different from some commonly used notions of “quality of life” that often include environment, climate, and subjective views of a community’s characteristics.

The measures used here are combined to derive an aggregate measure of quality of community life on a scale of 1 (low) to 5 (high). The index changes over time according to the percent change in nonresidential ratable base per household added to or subtracted from a community's tax-base. Tax base resources are strongly limited to positive or negative changes in quality of community life.

By the year 2010 there will be 3.2 million households and 4.3 million jobs in New Jersey. Applying quality of community life measures according to the above-weighted scheme under TREND development conditions, a combined exposure rating of 13.50 million quality of community life “contacts”¹ is observed. For the same number of households and jobs, including the effects of the population distributions under IPLAN, the overall exposure rating is 13.15 million. These numbers are up in both cases from 1990. The difference in TREND and IPLAN is the somewhat lower quality of community life experienced by the very small portion of new population locating in the closer-in suburban and urban areas, as well as in some of the existing Centers. While these locations may currently have lower qualities of community life, households will presumably not

¹ A household or employee experiencing the 1 to 5 rating of a community. These individual ratings are aggregated to the regional and State levels.

locate in redeveloping areas unless there are other factors that offset the reduced qualities. To the extent that redevelopment envisioned by the State Plan will have beneficial effects, these qualities should show positive changes over time.

INTERGOVERNMENTAL COORDINATION

Intergovernmental coordination is the degree to which various levels of government pool their efforts to achieve mutually desired ends. Where there is more coordination, more actions are achieved with less effort. Where there is less coordination, fewer actions are achieved with the same or more effort.

In a survey, municipalities, counties, and land-use oriented State agencies are asked to rate the frequency and quality of contact between themselves and other levels and units of government before and after the State planning process was implemented. While it is true that their responses indicate only a momentary judgment and are subject to change over time, they nonetheless provide insight to intergovernmental coordination effects under the State planning process as it evolves.

Most levels of government showed that at least one category of intergovernmental relationship improved in frequency and quality of contact as a result of the State planning process. The average of totals for each level of government showed no decline in either frequency or quality of contact between governments relative to the State planning process.

MUNICIPAL GOVERNMENTS:

Experience more contacts and better relationships with the County.

Municipal governments believe that improvements in frequency and quality of contact are most noticeable between themselves and their host county government. The change in both frequency of contact and quality of contact is small but consistently positive. Intermunicipal interactions and relationships with State agencies show slight positive change as a result of the State planning process.

COUNTY GOVERNMENTS:

Experience more contacts and better relationships with State, other county, and local governments.

County governments in most areas of the State have always been the most enthusiastic about the State planning process. Across the board—with other counties, with municipalities, and with State agencies, they believe that both the frequency and quality of contact in land-use matters have improved.

STATE GOVERNMENT AGENCIES:

Experience more contacts and better relationships with other State agencies and the Counties.

State government agencies experience the greatest positive differences in observed frequencies of contact of any group. These are State agencies that are concerned with land-use policy. They include: Agriculture, Commerce, Community Affairs, Environmental Protection and Energy, the Public Advocate, Transportation, and Treasury. Of the seven agencies surveyed, most indicate they went from infrequent to frequent contacts in land-use matters as a result of State Plan interactions. The quality of contact also improved in most instances (State-State, State-county) with the possible exception of dealings with municipalities, which generally stayed about the same.

CONCLUSIONS

Viewing the five main Impact Assessment areas and their subareas, the State Plan offers improvement to the State of New Jersey in over half of the measured indices, and is neutral on most of the others. The State Plan may save as much as \$1.3 billion in capital costs for infrastructure over the next twenty years and as much as \$400 million per year in operating costs statewide for municipalities and school districts. With these results, the study team's conclusions demonstrate that the State Plan will help to make New Jersey a better place to live and work.

No Impact Assessment can measure every variable but, overall, a large share of what can be measured has been measured, and the results are clear. The Goals, Policies, and Strategies of the Interim State Plan will most likely produce noticeable improvements in the State.

Based on the above, the study team specifically concludes the following.

Economic Assessment

The Interim State Development and Redevelopment Plan, if carried forth to fruition, will sustain the economy of the State, maintain growth in all regions, redevelop Urban Centers more than they would be under traditional development conditions, and strike an appropriate balance between economic and conservation measures. Under the State Plan, jobs will occur in all locations in the State, particularly those with the highest rates of unemployment. Further, the State Plan will help improve the fiscal health of most local

public service providers, i.e., municipalities and school districts, and save operating costs because growth is directed to established and efficient public service systems.

Environmental Assessment

The Interim State Development and Redevelopment Plan contains measures that effectively protect the environment and improve environmental quality. Lands in a variety of categories are protected, and the quality of the State's environment is improved (water quality) or left basically unchanged (air quality).

One category of lands saved is agricultural lands, which are typically prime developable land as well. Under IPLAN, all prime and marginal farmlands may be preserved, while allowing for development on poor agricultural lands. There are costs, however, to achieving this goal. The equity concerns of farmland owners can be dealt with by the elected officials and citizens of New Jersey during implementation of the State Plan by ensuring an appropriate sharing of these costs among landowners and the general public, through a variety of mitigation programs. If both of these conditions—preserving the best agricultural land while sharing the costs of farmland preservation—come to pass, there will be no negative impacts on the agricultural industry in New Jersey.

Much of the protection of natural resources attributable to the State Plan is the result of directing future development in and around locations of existing development or to new Centers in outlying areas. These Centers are identified by the State Plan for growth; adjacent areas, or environs, are identified for limited growth.

Infrastructure Assessment

The State Plan will save money in infrastructure in several functional areas. This is most noticeable in terms of savings in road costs but is also present in water and sewer infrastructure costs. Infrastructure costs are reduced due largely to the redirection of development that occurs under the State Plan—i.e., Centers and closer-in areas with established infrastructure systems as opposed to rural agricultural or environmentally sensitive areas where these do not exist.

Community Life Assessment

Quality of life in New Jersey, as it can be measured, will increase in New Jersey under both TREND and IPLAN scenarios. Housing demand will be met by housing supply; housing costs overall will not be impacted significantly. Housing costs under the

State Plan may be somewhat more in environs but will be balanced by costs that are reduced by the higher densities of Centers. Overall, housing affordability will increase.

In general, quality of community life will increase in New Jersey over time. Those households that move to redeveloping areas will experience some qualities of community life that are lower than if they had moved to rural fringe areas. This is due to conditions currently found in these neighborhoods that will gradually improve over time.

The more subjective component of quality of life may well be improved in the State via the gains witnessed in the aforementioned assessment areas.

Intergovernmental Coordination Assessment

The State Plan is the result of a long negotiation process. Participants have reacted to this process as cooperative and improving both the quality and quantity of most types of intergovernmental contacts. The study team concludes that intergovernmental coordination is improved as a result of the State Plan endeavor.

The Impact Assessment study team has performed the best possible analyses given time, money, data, and analytic tools. It has drawn the above conclusions and contained them in the documents made available to you. The baton now passes to members of the State Planning Commission, professional groups, and finally, to the citizens of the State to digest this information, and use it with other information to make informed decisions regarding the State Plan and, more importantly, the future of New Jersey.

**STATE PLAN
ADVISORY
GROUPS**

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